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Commissioners and Staff,

I teach at Northeastern University's Masters Degree Program in Informatics, consult in telecommunications, and am the author of *The Essential Guide to Telecommunications, Fifth Edition*, which was published in July 2012 by Pearson Education.

I am commenting on the following issues:

1. **Per call charges** – These per call fees are no longer fair or equitable. Prior to the 1990s per call fees were levied on collect calls to cover the cost of using an operator to complete the call. Modern networks and automatic response units (ARUs) now enable collect and prepaid calls to be placed without the need for the extra expense of a live operator. Operators are no longer required because collect-calling functions are now automated and touch-tone signals are for all practical purposes universally available.

In response to the issue of costs to lease lines from incumbent telephone companies, all operators that provide service over an incumbent carrier's network lease lines from the incumbent telephone or cable provider in the area in which they offer service. In all my years of consulting with small and medium sized businesses I've never seen providers charge per call fees. Certain divisions of Windstream and Level3 are examples of these providers.

2. **Per minute rates** – These are way too high.

Per minute rates from carriers are now pennies per minute; some Internet based calls are free. Most telephone companies now use VoIP (Voice over Internet Protocol) where calls are transmitted at least in part over the Internet. Phone calls have become commodity services where customers are charged a flat fee for unlimited calling.

3. **Intrastate versus interstate parity** – Costs to transmit Interstate calls are not more costly than intrastate calls.

In the Commonwealth of Massachusetts and many other states, inmate calling service rates for interstate calls are materially higher than those for intrastate calls. There is no good reason for this. Most prisoner calling service providers use centralized systems that operate over the Internet, with Voice over Internet Protocol (VoIP) service, distance no longer impacts costs

because calls are transmitted over the Internet where carriers don't charge each other based on distances signals are transmitted. Moreover, calls to the same state can be routed over interstate routes.

4. Dropped calls – Rare from other than inmate calling services

A major problem with per call charges is that carriers have no incentive to take steps to prevent dropped calls. When a call is dropped and prisoners make an additional call there is more revenue from per call fees. Prison administrators have no incentive to monitor quality as dropped calls provide additional commissions for them.

Dropped calls are a sign that inmate calling services providers use poor quality or older equipment. It's interesting to note that no other service from any providers including mobile carriers, traditional phone companies and even VoIP providers such as Skype, Google and Vonage have problems with dropped calls. When callers have a choice, they do not put up with using below par service that often cause dropped calls.

5. Providers statements about high equipment costs

Per this Notice of Proposed Rulemaking, providers state that the cost of their equipment materially drives up their costs. Yet, the functions these systems provide have been available for many years and the features are in common use. Furthermore, the fact that sold computer storage has declined, means that costs for features such as call blocking by telephone number and area code, monitoring frequently called numbers, and recording and listening to calls has declined.

The software to implement tasks such as call blocking by number is easily done and has long been available. It's simply a matter of entering the numbers to be blocked. This feature is available most phone systems and add-on systems that business and non-profit organizations install. The same is true for call recording, call listening, and monitoring frequently called numbers.

6. Competition in the inmate calling services market

If competition between providers for prisoners calling services becomes available rates for calls will decrease drastically. These systems would be similar to the manner in which callers using most public pay phones have their choice of using for example, AT&T or Verizon. Inmates dialing a specific code could access a particular provider to place a collect call. The prisons could limit these choices to for example three different providers. In this way there would be competition, but providers would be likely to have sufficient traffic to make provisioning their service worthwhile. In addition, prisoners' families would be able to stay in touch with prisoners at significantly lowered rates.

